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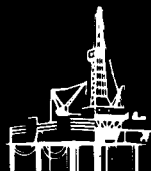
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Energy saving is the cheapest and cleanest alternative energy

by Leonard Williams, Director-General for Energy in the European Commission

One should not go overboard in introducing short term energy saving measures which might cause panic and sometimes even be counter-productive. Such measures include petrol rationing, which is no practical way of reducing petrol consumption in the long term, not using cars on week-ends or filling cars only on alternate days.

There is a strong belief that most of the gasoline or petrol crisis in America is caused by the fact that everyone is now driving around with a full tank instead of a tank a quarter full.

The most effective means of countering the energy crisis — and at last it is accepted by all Western governments that oil is going to be permanently in rather short supply — is to introduce effective long-term measures.

European lead at Tokyo

This does not mean that the world is rapidly running out of oil. It simply means that oil production is not increasing as fast as the increase in oil requirements. So we face conditions of continued marginal shortage on the market. And a marginal shortage of two or three per cent gives OPEC and the oil traders the opportunity to continue to raise prices.

The only satisfactory way to deal with this situation is to try to reduce our growing demand, or at least to try to reduce the rate of growth.

This message came through strongly at the European Council meeting in Strasbourg early in June and at the Western Economic Summit meeting in Tokyo. The Strasbourg meeting with its

quite clear conclusions on energy enabled the Community to assume a position of leadership in Tokyo.

In Strasbourg, Community countries agreed to hold their oil imports down to the level of 1978 until 1985. This is somewhat easier for us than for the Americans or Japanese because we have North Sea oil. But that undertaking still involves an assumption that we shall continue to press very hard effective programmes on energy saving, nuclear energy and coal.

The Tokyo decisions were good because the Americans have now agreed to quite a difficult goal for oil imports in 1985. Not many months earlier people were talking of the possibility of America's requiring between 12 and 16 million barrels of oil a day from OPEC in the middle of the 1980s. The decision from Tokyo was that America's goal will be only 8.5 million barrels a day. It presents Carter and all the U.S. administration with a very real challenge to get down to that figure.

America and Europe may well achieve their target figure of oil imports more easily if they do not achieve the economic growth they are seeking. Broadly speaking, the EEC governments want to try to maintain something like 3.5 per cent economic growth. If there is a recession they will need less oil, and their energy problems will become less — albeit for the wrong reasons — in the short term. They will not become any less in the long term, because with recession Europe will lack the finances and the will-power to invest in alternative supplies, to build a number of nuclear or coal-fired power stations, or

to build enough research or alternative energy resources like solar.

So recession seems to reduce our energy problems in the short term, yet it does not reduce them in the long term. In the medium and long term there is a real danger that the energy problem will limit the powers of governments and of the Community to achieve the economic and social goals that we have set for ourselves.

There are four main alternatives to oil as a source of energy. They are nuclear power, coal, energy saving and other energies such as solar or tidal.

Nuclear

In Strasbourg the European Community heads of state or of government agreed a very firm form of words. This was that without nuclear energy no growth was possible.

The form of words in Tokyo was not quite as strong as that, but nearly so: 'Without the expansion of nuclear power generating capacity in the coming decades, economic growth and higher employment will be hard to achieve.'

Despite all the problems we have had with ecological groups in the last few years, despite the problems of Harrisburg, which are limited and containable problems, we now have a firm reaffirmation by governments that nuclear energy must form a major component of our total energy balance.

Coal

The second alternative is coal; but coal continues to present great difficulties. There are now only two major producers in the Community: the United Kingdom

and Germany. Steam coal, that is coal for generating electricity or for use in industry, is very expensive in Germany. The production cost of German steam coal is easily double the world price. One can import steam coal from South Africa, Australia and other places for about \$30 a ton. German steam coal costs over \$69 a ton. In the U.K. the gap is not quite so wide, but is still significant.

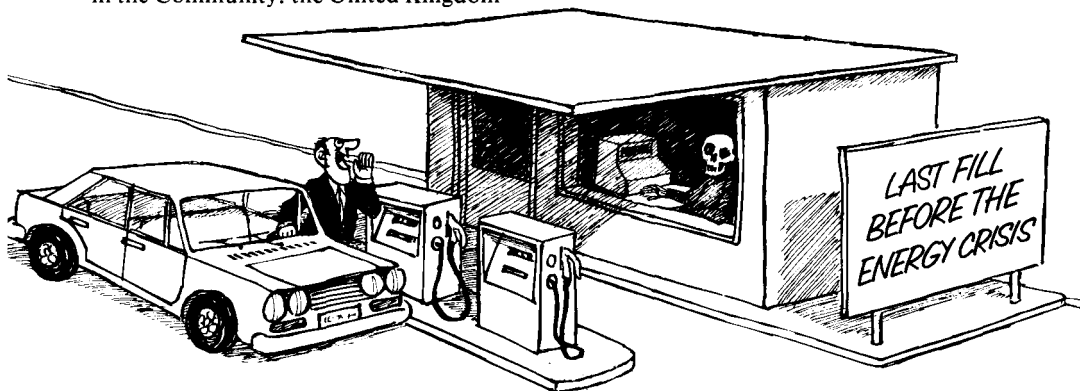
Yet Europe has enormous coal resources. There is 200 to 300 years' coal supply in the Community, and there is a danger as years go on that under pressure of world demand world coal prices will rise. The gap between the world price and European production cost of coal will narrow.

The Commission has always argued and continues to argue that despite this cost gap Community coal production should be maintained. But in addition to that we also say that total coal use must increase. This means that imports must increase.

In order to avoid too sharp a debate between nuclear and coal, in its latest proposals to the Council for 1990 targets, the Commission has suggested that the target be a joint one. It proposes that by 1990 between 70 per cent and 75 per cent of the Community's electricity should be produced from nuclear and coal together. The important point is that it has to be achieved from nuclear and coal because the oil will not be there and we should not use gas for generating electricity.

Energy saving

The cheapest and cleanest form of creating energy is energy saving. The



Commission continues to press on member countries the need for hard, realistic saving programmes, of which the three main elements are: industry, the home and transport.

Industry is now beginning to react to the very high prices of oil and other energy, and it is beginning to save. Before the oil crisis energy only represented perhaps 5 per cent of the cost of industry, so that it was not particularly interesting. Now, it costs easily twice that. So the incentive to save becomes increasingly strong.

It is somewhat more difficult to persuade the private consumer or householder to invest in energy saving, as the payback period of insulating a house — even at the present price of oil — can be as long as eight or ten years. Yet enormous quantities of energy are used in providing hot water and heating in the home. The Commission is therefore making a special effort to persuade owners to insulate their houses and to spend money on energy-saving. It is also encouraging governments to offer taxation advantages, grants and other incentives to reduce energy consumption.

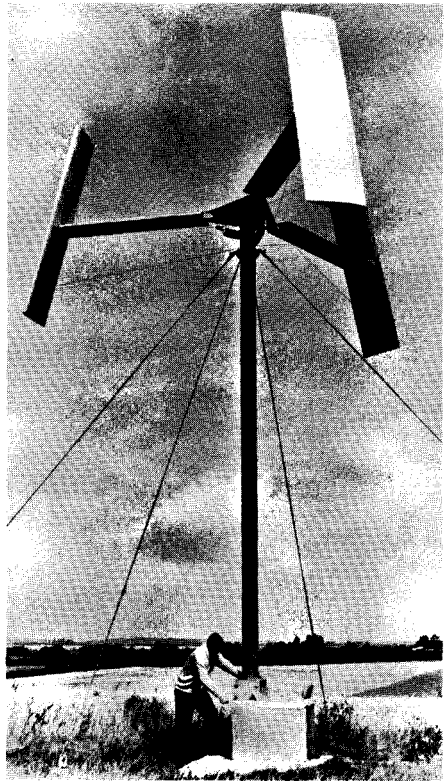
The third and most bitterly contested area of energy saving is transport and particularly the private motor car. No realists in this debate ever believed that we were going to be able to reduce the use of the private motor car either in Europe or in America, and perhaps not even in Japan. The solution is therefore to teach people better driving habits. Careful driving can achieve economies of as much as 20 per cent of fuel consumption. Apart from that the emphasis should be put on smaller cars, more efficient engines and in the long term cars which run not on oil but other energies, such as electricity.

For the moment, I would almost say for the rest of this century, the main hope must be more careful driving, more judicious use of cars and more economical and smaller cars.

Alternative energies

And then there are alternative energies. The most important is solar energy.

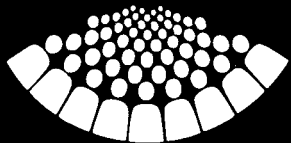
Solar energy is probably going to be more important for the developing world



A new type of British windmill unaffected by changes in wind direction will automatically adjust its sail to withstand even hurricanes.

than for Europe. This is firstly because they get more sun, and secondly because most of the developing world needs its energy in smaller packets, for farms or villages and not for big towns. We are still a long way from finding out how to produce electricity economically in large quantities, for generating enough electricity, say, for a town the size of Brussels. But we are quite close to economic generation of electricity in small units. We are already able economically to generate or heat water in individual house or factory installations from solar energy.

So it is the Commission's firm view that we have sharply to increase research and development effort on this and on demonstration projects, which are projects half way between laboratory experiments and full commercial operation.



Strasbourg's first lady

Simone Veil faces huge challenge as first President

by John Palmer, European Editor of the Guardian.

The first President of the new, directly-elected European Parliament is a woman who for some years has been cut out for a leading role in political life of her country and of Europe.

Mme Simone Veil, at 52, was already being talked of as a potential future Prime Minister of France. And it would be a rash commentator who assumed that her acceptance of a period as the President of the Parliament forecloses that possibility in the future.

The former Health minister in the French Government has been described as 'a woman who needs a really major challenge to show what she is made of.' She will have ample opportunity to demonstrate this in her new role. For she assumes the Presidency at a crucial historic moment when the Parliament will have to assert itself as an institution which counts in the evolution of the European Community and its decision-making process.

Resilience

A woman of strong character, Simone Veil has obviously been marked by her tragic youth. Born in Nice where she received her early education, she and her French Jewish family were rounded up by the Nazis and their sympathisers in 1944 when at the age of 17 she was sent to the infamous extermination camps at Auschwitz and Bergen-Belsen. She managed to survive the living hell of those camps but her parents did not. She still bears a camp number tattooed on her arm.

In the years after the war Simone Veil



showed the resilience and determination of which she is capable by training as a lawyer and entering the French civil service where she quickly won a reputation as a formidable administrator in the Justice Ministry. She also found time to get married to an inspector of finances who is currently head of a French airline, and to have three children, now aged 22, 20 and 15.

Social reformer

Mme Veil was quickly spotted by President Giscard d'Estaing as someone with obvious ministerial potential and he

appointed her Health Minister in 1974. Simone Veil became an indispensable part of the French government's team of social reformers but attracted some controversy as well as widespread admiration for the improvements in health and social security measures she introduced.

Always a defender of women's rights, Mme Veil was at the centre of a political storm over the abortion issue. She won considerable public sympathy when, answering a charge that she was sending 'unborn babies to the gas ovens', she wept before the French national assembly in recalling her concentration camp experiences.

In spite of her determination not to lose her feminine appeal, Mme Veil won the reputation of being a hard and demanding task master with her staff. Although she developed quite a political reputation in office, Mme Veil never formally joined any political party. However, she agreed to head the list of those candidates who supported the general line of President Giscard during the European election.

During that campaign, Mme Veil managed to extend her political reputation in spite of a strong attack on her policies both from the left and from the neo-Gaullist party led by the former Prime Minister, M. Jacques Chirac.

Independent mind

The striking victory of her list in the European election made her inevitably a leading candidate for the Presidency. She did not by any means have the unanimous support of the Liberal group in the new assembly when it came to her nomination. And there were those on the centre right, as well as the left, who had reservations about Mme Veil as President, partly because of her close association with the French President and partly because of

Women in Parliament

Country	Seats	Women	%
Belgium	24	2	8
Denmark	16	5	31
Germany	81	12	15
France	81	18	22
Ireland	15	2	13
Italy	81	11	14
Luxembourg	6	1	17
Netherlands	25	5	20
United Kingdom	81	11	14
Total	410	67	16

fears that she might not distance herself completely from her former political allies and co-thinkers. Mme Veil has been quick to reassure her fellow European Parliamentarians that they need have no worries on either score. She has stressed that she is her 'own woman' and that, as President of the Parliament, she will be at the service of all its members.

Her new job will be no less, and quite likely, far more demanding than her previous posts. The European Parliament faces a major task in establishing its authority and influence with the other institutions of the Community. It faces an even more daunting task in establishing its identity and role in the minds of the European electorate. Time is not on the side of the Parliament in this respect.

But, always a woman in a hurry, Mme Veil is determined to lead the Parliament towards greater political influence.

In her first speech as President she made it clear that the Parliament would begin its challenge on two specific fronts — greater control of general policy and greater influence in the shaping of the Community's annual budget.

Quotation of the Month

"I doubt very much whether eventually the different societies of Western Europe will survive unless they are prepared to readjust to some sort of federal unity — and of such unity a common money must be an important, although by no means the only, essential feature". Lord Robbins, formerly Professor of Economics at the London School of Economics and Chairman of the Financial Times from 1961 to 1970.



Expert group puts the energy problem into context

'The gravity of the risks incurred by Europe due to her dependence on external supplies calls for a particularly vigorous and comprehensive policy for rationalizing the use of energy.' This is the analysis of M. Jean Saint-Geours and a group of independent experts — energy specialists, economists, politicians, trade unionists and ecologists — contained in a report drawn up for the European Commission entitled: 'Energy-efficient growth'.

The Saint-Geours report

For probably the first time, a rigorous analysis of the Community energy potential and energy conservation techniques has been placed in its overall economic, institutional, social and cultural context. The principal conclusion of the group chaired by Jean Saint-Geours is that Europe can meet the energy challenge without putting at risk the values, traditions, well-being and liberties which Europeans hold dear to their hearts. The development of an energy-efficient society cannot be decided in an economic planning office. It demands a high degree of individual initiative and responsibility.

It is not a question of renouncing economic growth but one of redirecting growth in terms of contents and quality. On the one hand, low economic growth will delay the changes needed to bring about greater economic moderation. On the other hand, in a world where price increases for imported energy generate unemployment and inflation, rapid growth can only last if it is based on a long-term energy saving policy which is

more comprehensive and more radical than those seen in the past. Such a policy can only succeed if it has wide popular support.

Public involvement and public understanding in member States will be that much greater if political action is seen to be an element of a Community strategy which aims at energy-efficient growth. The group recommends that such a policy be implemented in the three key areas of pricing, research and energy use.

□ The Nine must harmonize their policies to ensure that energy prices take full account of the cost of replacing resources. Costs and prices should be more transparent and be made more public.

□ Research, development and demonstration programmes dealing with energy conservation techniques should be expanded through the creation of European institutions and structures for scientific research and by studying the economic and social questions involved in the diffusion and effective use of energy conservation technologies.

□ Common standards for technical performance must be introduced by voluntary agreements or legal provisions covering motor vehicles, heating installations and the principal household appliances, whether imported or manufactured in the Community.

The group also call on the European Commission to draw up and recommend to the Nine a comprehensive and integral policy to dissociate economic growth from energy consumption. This would help create a favourable investment

climate in each country and encourage innovation.

Suggestions put forward by the group cover efficiency standards for buildings, information and publicity, the creation of a network of advisory centres supported by training facilities, promoting the development of methods for measuring, regulating and monitoring energy consumption, and a substantial increase in financial allocations for energy saving measures (investment aid in particular). Finally, national, regional and local authorities can through their purchasing, internal organization and taxation policies, have great influence over the efficient use of energy. Bold initiatives taken in these areas can give new scope for industrial initiative and, by making energy conservation 'good business', lead to the creation of new jobs.

What savings are possible?

Over the medium term, energy conservation can release a great deal of resources. These resources are there for the taking if only researchers, manufacturers, consumers and governments can coordinate their efforts. According to the Saint-Geours report, savings possible by the year 2000 could be as much as 20-35 per cent in the transport sector, 15-35 per cent in industry and agriculture, and up to 50 per cent in the housing and service sector.

□ In the transport sector, the technological opportunities are:

- for road transport (two-thirds of consumption in this sector): new car designs leading to smaller, lighter, more aerodynamic cars with improved tyres, fuel and lubrication, special motors — preferably diesel — and more economic electronic fuel injection systems. The drivers of these new types of cars may be encouraged to be more 'relaxed' and be more energy conscious. Improvements can be made in public transport systems, particularly urban systems, even though enormous savings cannot be expected simply by replacing personal transport systems by public transport;
- for railways: using lighter materials, reducing air-resistance and recuperating energy released through braking, can all

lead to considerable savings;

- in aerospace: the new generation of engines can bring about large savings as can new wing design and the use of lighter structures;

□ Savings in the domestic and service sectors and in particular heating (80 per cent of consumption in these sectors) which can be made by:

- better consumption discipline. Raising the temperature above 19° or 20° increases consumption considerably;
- increasing thermal insulation in existing buildings and improving the design of new ones and making use of new materials;
- improvement of materials and installations (boilers, etc.) and extensive use of electronics to regulate and control temperature;
- the extension, where conditions permit, of district heating systems and the development over the long term of new technologies: heat pumps, solar heating, etc.

□ In industry and farming, energy savings can be made through:

- the relative decline of various large energy-consuming sectors: steel — which absorbs a quarter of industrial energy consumption in France and in the United Kingdom — and also chemicals, paper pulp and certainly activities in the building sector, etc;
- the recuperation of energy in the form of heat and in certain cases the combined production of heat and power. The energy yield in a thermal power station in relation to fuel used, is about 35 per cent. By contrast, under certain conditions, an integrated plant can achieve a yield of 75 per cent, of which 25 per cent is electricity and 50 per cent heat which is reusable by district heating networks;
- increased use of electronics and microprocessors to improve regulation and control;
- the development of new, less energy-consuming products, whose components can also be recycled;
- increased recourse to renewable energy sources such as solar energy.

The development of an energy-efficient society is not just the concern of science and technology. A number of economic, cultural and institutional brakes must be

released and, ultimately, our models of production and consumption may have to change. Which is to say that simply imposing norms or controls is not enough. The Saint-Geours report argues in favour of greater public participation. The public should be involved in decision making about collective issues. They should also be encouraged to experiment in new, more energy-saving ways of living. In the long term, this could mean small towns or medium-size communities fuelled by solar energy. Current aspirations for a higher quality of life, with more satisfying and less competitive jobs, greater respect for the natural and human environment — as shown by the development of ecological ideas — are also factors which may help reduce energy consumption.

The obstacles should not be underestimated however:

- ☐ one of these is the price of energy. When the user is not fully aware of these costs or takes little long-term account of them — and in particular the scarcity of certain types of energy — wastage is effectively encouraged;

- ☐ other obstacles are linked to the desire for short-term profitability. This has particularly been the case with industrial investment in property, especially when the property is not occupied by its owners. What is the point of modernizing the heating system if the fuel-oil is paid for by the tenant?

- ☐ in two large energy-consuming sectors, cars and the heating of buildings, legal norms and requirements are sometimes inadequate. The production and rational use of heat and power are often hindered by rigid organization which helps centralize production whilst segregating the different forms of energy;

- ☐ consumer information and education are often lacking. Even people in industry are sometimes unaware of the materials and processes which are available.

Action by the Nine

Creating the right conditions for energy saving is generally the responsibility of national governments. They have already implemented programmes which have helped reduce the Nine's energy consumption by about 8 per cent between

1974 and 1977. Apart from certain recent crisis measures which limit, for example, car usage or heating-oil consumption, the range of measures adopted is very wide and is increasing all the time. This covers:

- ☐ thermal insulation of buildings: the obligation to insulate new homes and also to renovate existing homes (Denmark, Germany and the Netherlands in particular);

- ☐ heating systems: improving or converting installations, standards for installations, maintenance control, limitation of the maximum temperature of offices and homes, etc;

- ☐ transport: information campaigns, speed restrictions, control of energy-conservation publicity, voluntary agreements with the car industry for progressive improvements of vehicle performance;

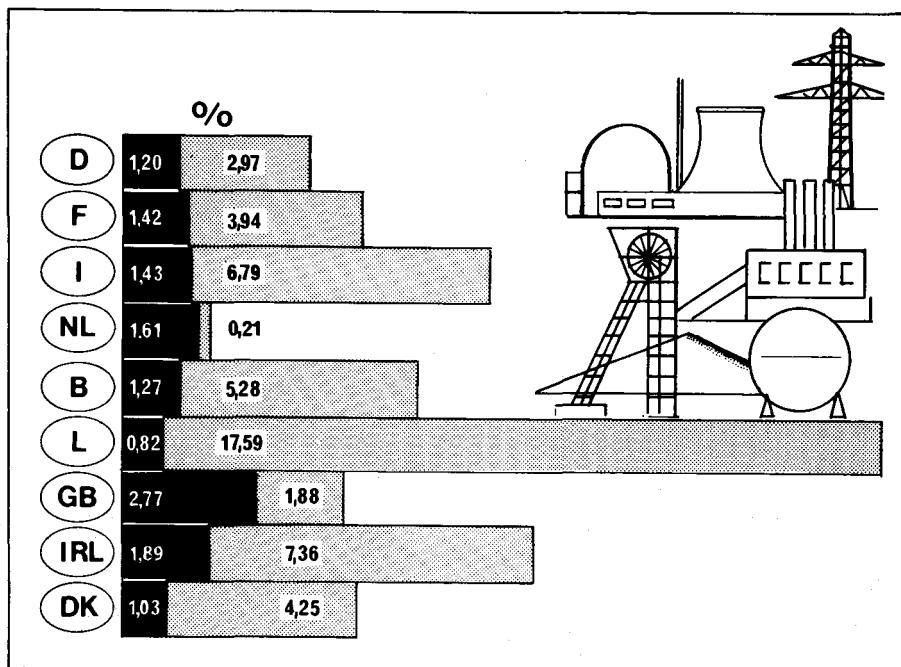
- ☐ research assistance in developing and demonstrating new processes as well as industrial investment aid. Major efforts are made in this area by Denmark, Germany, France, the Netherlands and the United Kingdom.

In working towards a common energy policy, the Community has attempted to encourage freer exchange of information between the Nine and to ensure a certain amount of coordination of their energy conservation efforts.

- ☐ Measures taken by member States — adoption of norms, investment aid, etc. — could, if not suitably harmonized, hinder the free movement of goods within the Common Market or cause a distortion of competition. Different obligatory fuel-consumption norms are applied in Europe and these tend to segregate the large market which the car industry needs for expansion, e.g. the specifications of the different models vary according to the countries in which they are sold. The harmonization of norms and additional assistance from the Community can open up a large market for new products and processes.

- ☐ The experimental nature of many national programmes make the exchange of results and information particularly valuable; coordination of such research can prevent a costly duplication of effort and enable general-interest studies to be

The impact of energy on the economy



Investment in energy as a percentage of Gross Domestic Product

Net energy imports as a percentage of GDP

fruitfully conducted.

□ Looked at in its broader context, an energy savings policy is inseparable from policies for employment, industrial reorganization and external relations. In all these areas, the Nine have conferred certain responsibilities on the Community. In the longer term, the problem of energy-efficient growth will require fresh thinking about new types of society for the Common Market countries.

Several measures have already been taken by the Community to encourage energy saving:

□ since 1975, the Nine have adopted a number of recommendations aimed at reducing energy demand and ensuring more rational use of energy in buildings, industry, road transport, etc. Three directives (of an obligatory nature) were adopted in 1978 and 1979. They deal with the performance of heating appliances (for hot water or heating) and on the presentation of energy consumption

information on household appliances;

□ a Community research programme coordinating the work of numerous national laboratories was introduced between 1975 and 1979 at a total cost of nearly £7½ million. A new programme extending to 1983 will be endowed with £18 million;

□ financial aid (£37 million for the period 1978-81) has been granted to demonstration projects to accelerate the development and commercialization of new energy-saving equipment. Community loans will be available in the near future for such investment projects.

Commission proposals

The European Commission is now proposing that the Nine reinforce their efforts and adopt energy savings programmes of comparable effect. The aim is to achieve an additional 1 per cent saving so that, for every 1 per cent

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Consumer action programme

European Commission determined to promote consumer interests

The Commission has asked the Council to give the go-ahead to its second action programme for the protection of consumers in the European Community. The programme, which covers the five years 1980-1985, continues the work of the first programme which in 1975 launched Community involvement in the field of consumer protection and information, and which expires this year.

Announcing the new programme Mr Richard Burke, the European Commissioner responsible, said that it represented a major change of emphasis. The Commission now aimed at a positive promotion of consumer interests instead of their mere protection.

The programme continues the five basic principles laid down in the first programme and will enable the Community to continue and intensify its measures in this field. It should also facilitate improved consultation between consumers, manufacturers and retailers. Its primary concern however is with the need to enable the consumer to act with full knowledge of the facts, and to hold the balance between market forces.

Five principles

The five principles of consumer protection are:

- protection of consumers against health and safety hazards,
- protection of consumers' economic interests,
- improved legal protection of consumers (assistance, advice and right to seek legal remedy),
- improvement of consumer education

- and information,
- appropriate consultation and representation of consumers in the preparation of decisions affecting their interests.

Two points are significant in the new approach: a greater attention to the question of pricing of goods and services, and a greater emphasis on consulting consumers and involving them in decision-making.

In broadening its policy in this way, the Commission lays down two conditions. These are that the consumer movement become more responsible and take greater account than in the past of the full range of economic and social implications of the decisions on which they wish to be consulted, and that political and economic decision-makers listen to consumers' views before taking decisions on matters affecting them.

Voluntary agreements

Taking a pragmatic approach to the problem, the programme proposes that formal legislation need not be the only means of protecting consumers. The five basic principles of consumer protection could also be implemented through voluntary agreements — such as between representatives of producers and distributors on the one hand, and of consumers on the other.

The Commission suggests that two areas where such agreements would be appropriate would be after-sales service and particular aspects of advertising. It offers to help and encourage initiatives of a pilot nature in these two areas.

Obviously the use of this formula should not in any case prejudice the application of existing laws and regulations, nor should it exclude the implementation of these in cases where it would become manifestly impossible or too delicate a task to put them into effect.

In preparing the programme the Commission has consulted widely, to ensure that all points of view were taken fully into account. Those consulted included consumer associations, industry and other relevant interests.

Results already obtained

Results already obtained from the first consumer protection action programme include some 35 directives on the protection of consumer health and safety, proposals for many more directives, both on consumer information and on the protection of consumers' legal and economic interests, and the setting up of a Consumers' Consultative Committee.

One directive forbids the use of 361 dangerous substances in cosmetics. Another is on the composition of foodstuffs and the materials which come into contact with them. A third on the marking and display of the prices of

foodstuffs was sent to the Council in May 1977 and will, it is hoped, shortly be adopted by the Council.

Several proposals for directives to protect consumers' legal and economic interests are being discussed by the Council. They are on sales negotiated away from business premises, home study courses, misleading or unfair advertising, product liability and consumer credit.

In addition to organizing occasional seminars — for example on the possibilities open to consumers for seeking legal remedies and the means for making it easier for them to bring cases before a court of law — the Commission runs an active consumer information programme. This includes a continuous supply to members of parliament and journalists of information about measures taken in the consumers' interest, and a start to organized consumer education in schools.





A new contract for development

The second Lomé Convention between the Community and 57 developing countries from Africa, the Caribbean and the Pacific (the ACP states) confirms every aspect of Lomé I, but a better understanding of the issues involved means that it will also be better applied, said M. Claude Cheysson, the European Commissioner responsible for the Community end of the negotiations, in London recently.

Lomé II follows one of the most successful transfrontier programmes with developing countries ever signed by industrial states. Lomé I, which came into force on 1 April 1976, was based on the principle of cooperation of equals and designed to provide a balance between the varying needs of the ACP countries and the EEC. The Convention expires on 28 February 1980; the new Convention is expected to run for five years from 1 March 1980, funded by the Community to the tune of £3,500m.

In M. Cheysson's view, the new negotiations which were hard and long, were held just in time before economic pressures sought to reduce the Community contribution to the new Convention. The sum agreed represents a 62 per cent increase in the Community contribution — taking into account inflation, less than M. Cheysson would have liked, but at least an improvement in real terms.

Poorest get priority

Lomé II introduces certain innovations demanded by the ACP states, such as limited extension of the Stabex

(Stabilisation of Exports) scheme to cover mineral products upon which many developing countries depend. In addition agreements have been reached for the European Investment Bank (EIB) to help in promoting mining and energy projects in ACP countries.

Aid under Lomé II, M. Cheysson said, would be particularly directed at the least developed ACP states, with special emphasis on rural development; in addition a sum of £400m had been earmarked for regional projects involving more than one country. M. Cheysson stressed that it was up to the ACP states — not the Community — to decide on projects for aid. On the other hand, the Convention requires that there should be consultation on projects, to encourage ACP exports to complement rather than compete with Community products. In the last resort, however, the decision whether to go ahead or not rests with the ACP state.

Human rights

As in all negotiations neither side got all that it wanted. The Community was disappointed not to include in the Preamble a reference to human rights, although the issue will be included in a separate document; several ACP states thought the Community too timid or too concerned with its own self-interest in the negotiations. Whatever its shortcomings, however, M. Cheysson insisted that Lomé II represented an advanced model for relations between industrial and developing countries.

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increase in economic growth, energy consumption will only increase by 0.8 per cent, and by 1990 by only 0.7 per cent.

The Commission has outlined a general programme which would leave each country free to choose its priorities suited to national situations. The principal points of the programme are as follows:

- ☐ a transparent and realistic energy price and taxation policy taking account of scarcity and long-term costs;

- ☐ a progressive upward revision — in line with technical progress — of the performance standards required for new buildings and heating systems.

Maintenance should also be better controlled;

- ☐ a construction code introducing obligatory norms for offices and other services and covering in particular, heating, air-conditioning and ventilation systems;

- ☐ financial aid for the modification of existing buildings and for demonstration projects aimed at public-sector housing and offices;

- ☐ scientific research and financial aid to assist the commercial promotion of new energy-saving equipment and processes;

- ☐ financial aid to encourage industrial investment in energy conservation and to develop advisory and expertise services for small and medium-sized companies which lack suitably qualified personnel;

- ☐ encouraging the combined production of heat and electricity and its rational use;

- ☐ a greater effort in the area of public information, education and publicity over energy prices, energy consumption of appliances and possible savings: labelling of domestic appliances, individual metering and invoicing of heating in multi-occupant buildings, standardized measuring methods and publicity concerning vehicle fuel consumption, energy savings campaigns directed at transport, educational programmes in schools at all levels, and in vocational retraining;

For its part, the European Commission tries to ensure:

- ☐ increased exchange of information and coordination within the Nine. Such coordination deals first and foremost with

the harmonization of norms and national aids, scientific research, energy savings in buildings, evaluation of the effectiveness of industrial investment and the production and rational use of heat and electricity. The Commission is also studying the possibility of setting up a European technology data bank to bring together all available information on energy conservation and put them at the disposal of architects, engineers, etc., throughout the Community as rapidly as possible;

- ☐ to pursue and extend its participation in research, industrial development and the commercial diffusion of new techniques;

- ☐ to encourage specialized international organizations to accelerate their work in establishing energy consumption norms, particularly for heaters and household appliances;

- ☐ to open negotiations with European manufacturers to establish jointly targets for voluntary reductions in fuel consumption.





Coal

At a Council of Energy Ministers David Howell, British Secretary for Energy, called for a Community contribution of £160m per year to assist the development of the Community's coal industry.

Commission reform

A Committee, headed by Mr Dirk Spierenburg and including Mr Dick Taverne as its British member, has reported on reform of the structure and administration of the Commission. Its recommendations include: a reduction of the number of commissioners to one per member State; a reduction in the number of directorates-general; the appointment of one Vice-President only who would be in charge of the internal administration of the Commission.

Regional fund

The latest regional fund grants allocated £31m to projects in the United Kingdom, including more than £13m given in the form of a 3 per cent interest rebate on a European Investment Bank loan for three projects in Northern Ireland.

Value Added Tax

The Council has adopted in principle three VAT directives, on the exchange of information between member States for assessment, the use of the procedures of one member State to recover tax due in another member State, and the 8th directive, which provides for the refund of VAT to taxable persons not established in

the Community country where the tax is incurred.

European monetary system

The finance ministers have agreed that no further modifications or further review of the working of EMS are at present necessary, after submission of reports by the chairmen of the Community's monetary committee and of the committee of central bank governors.

The Parliament is a Parliament . . .

The European Parliament is in future to be called the European Parliament (and not, as hitherto, Assembly) in British official documents.

Electronics

Commission President Roy Jenkins has said that the Commission will soon be presenting proposals to aid the European electronics industry in such fields as telecommunications, computers, micro-processors, etc. The measures would include the establishment of common technical standards, the harmonisation of national purchasing policies and coordination of research and development programmes.

Doyenne & Benjamin

The average age of the Members of the new Parliament is 50.6 years. The oldest is a French Member, Mme Louise Weiss, who is 86, and the youngest another woman, Sile de Valera, granddaughter of Ireland's former President, who is 24.